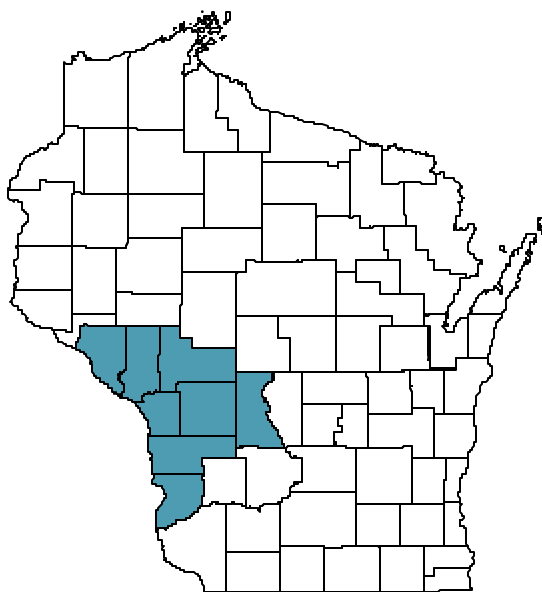


# Workforce Development Area Profile

## Western Wisconsin

Buffalo, Crawford, Jackson, Juneau, La Crosse,  
Monroe, Trempealeau, and Vernon Counties.



The labor market is a constant ebb and flow of supply and demand. Too little demand for workers creates too much supply and unemployment increases. But too little supply of workers means job vacancies and lack of employment growth.

Every Workforce Development Area in the state should anticipate a shortage of workers by the end of the next decade. Planners in each area must understand the unique set of employment characteristics in their region to develop a strategy to meet a future where demand will exceed supply.

William Brockmiller  
Regional Labor Market Analyst  
608.785.9337  
[william.brockmiller@dwd.state.wi.us](mailto:william.brockmiller@dwd.state.wi.us)



State of Wisconsin  
Department of Workforce Development

January 2003



## - The Demand for Workers -

### Western Wisconsin Employment

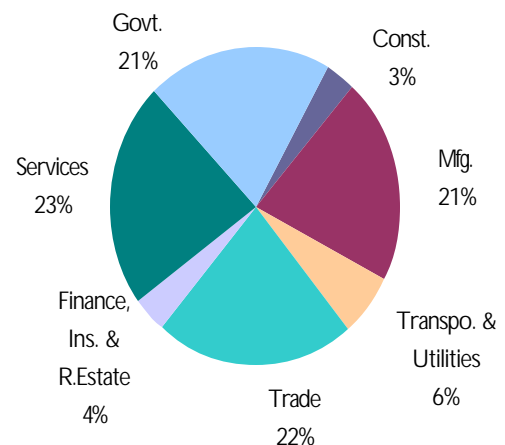
Employment and the demand for workers in Western Wisconsin are defined by the types of jobs created by local employers. Those employers, in turn, are defined by the product or service they produce. At least that's the way it has been for the last seventy years. In 2003 the industry coding system for employers, used to publish employment estimates for states, metropolitan areas and counties, will change from Standard Industry Classifications (SIC) to the North American Industry Classification System (NAICS). The tables and graphs in this publication will be the last look at industry employment using the old, and familiar, system.

From 1996 to 2001 the number of jobs with employers located in the eight county region of Western Wisconsin increased 8.7 percent from 131,374 to 142,766. The largest percent increase in employment (26.8 percent) occurred in the finance, insurance and real estate industry. Many of the jobs in the finance industry in Western Wisconsin were created due to the expansion of two key employers in La Crosse County. During the five-year period nearly 1,100 finance jobs were added to the West-

ern Wisconsin total.

The largest numeric increase in jobs, however, occurred from the largest industry division, services. From 1996 to 2001, 5,360 jobs were created by employers and total employment of 33,934 in the services industry in 2001 set a new high. The industry is large because it includes a

**Western Wisconsin Industry Distribution: 2001**



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002

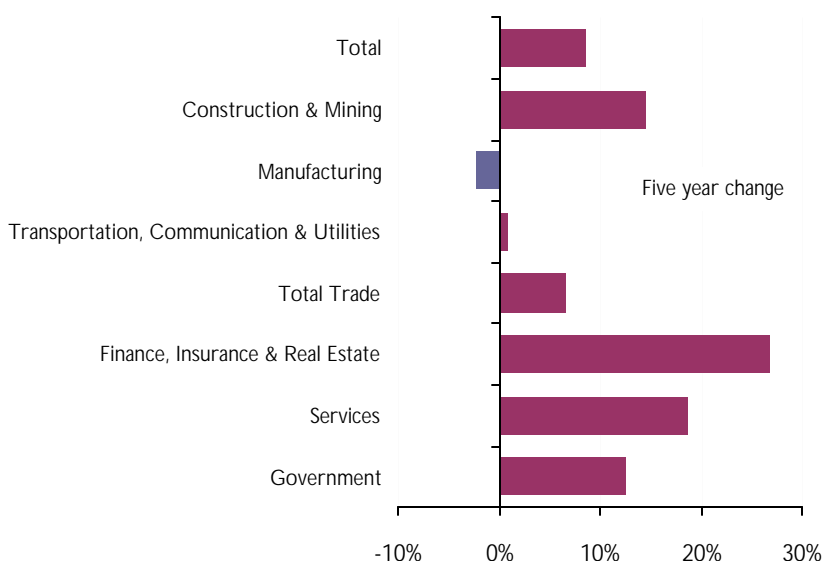
wide variety of employers (this will change under NAICS). The largest group of services industry employers, health care providers, created most of the new jobs in the last five years. The division also includes a myriad of business services from accounting to telemarketing and temporary help agencies. It also includes resorts, motels, and auto repair shops.

The service industry division also includes a myriad of business services from accounting to telemarketing and temporary help agencies. It also includes resorts and motels and auto repair shops.

Manufacturing employers, long considered the backbone of local economies, watched as demand

#### Western Wisconsin

**Employment Change by Industry Division: 1996 to 2001**



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002

|  | SIC | SIC divisions | NAICS* sectors | NAICS*   |
|--|-----|---------------|----------------|--|
| Agriculture, Forestry, and Fishing           |     | 01-09         | 11             | Agriculture, Forestry, Fishing & Hunting       |
| Mining                                       |     | 10-14         | 21             | Mining   |
| Construction                                 |     | 5-17          | 22             | Utilities                                      |
| Manufacturing                                |     | 20-39         | 23             | Construction                                   |
| Transportation, Communication, and Utilities |     | 40-49         | 31-33          | Manufacturing                                  |
| Wholesale Trade                              |     | 50-51         | 42             | Wholesale trade                                |
| Retail Trade                                 |     | 52-59         | 44-45          | Retail trade                                   |
| Finance, Insurance, and Real Estate          |     | 60-67         | 48-49          | Transportation & Warehousing                   |
| Services                                     |     | 70-89         | 51             | Information                                    |
| Public Administration                        |     | 91-97         | 52             | Finance & Insurance                            |
|  |     |               | 53             | Real Estate, Rental & Leasing                  |
|  |     |               | 54             | Professional, Scientific & Technical Services  |
|  |     |               | 55             | Management of Companies & Enterprises          |
|  |     |               | 56             | Admin, Support, Waste Mgmt. & Remediation Srv. |
|  |     |               | 61             | Education services                             |
|  |     |               | 62             | Health care & Social assistance                |
|  |     |               | 71             | Arts, Entertainment & Recreation               |
|  |     |               | 72             | Accommodation & Food Services                  |
|  |     |               | 81             | Other services (except Public Administration)  |
|  |     |               | 92             | Public Administration                          |

\*North American Industry Classification System

for their product eroded over and employment declined by 2.2 percent in Western Wisconsin during the 1996-2001 time period. Statewide manufacturing jobs also declined 2.2 percent during this time period.

The government employment sector provides 18 percent of the jobs in the Western region. Government employment includes jobs with federal, state, county, city and town governments, local school districts, and the Ho-Chunk tribal government and the businesses the tribe operates in the region. Total government employment in 2001 was 25,300. Of the 2,800 government jobs added from 1996 to 2001 about 600 were with tribal government operations. The building and operating of a state prison in Jackson County added another 300 government jobs to the area's government employment totals during the time period

NAICS, North American Industry Classification System, uses the same payroll reports completed by employers under the existing SIC (Standard Industrial Classification) system but classifies employers (employment and payroll) into more sectors. Unlike SIC, which was based on **what** was produced, NAICS is designed to focus on **how** products and services are created. Another major change occurs with wholesale and retail trade where NAICS transitions the focus to what the establishment

**does** rather than **to whom** it sells. NAICS also creates new sectors for some of the old retail trade industry groups, like restaurants.

NAICS is not an update of SIC but a completely new system and will provide a better look at where people work and what industries are growing. Because it is a completely new system creates some problems in reconstructing time series data.

NAICS will provide a much better look at the hospitality, healthcare and other service industries previously lumped together. In Western Wisconsin this means the ability to finally track employment changes accommodation and food services but it also means that the old retail trade division cannot be used for comparison. Roughly 9,150 jobs with eating and drinking establishments will be reassigned from retail trade into new sectors in Western Wisconsin.

The transition from SIC to NAICS began in 1997 with the Economic Census. However, the monthly Current Employment Statistics program, responsible for the monthly nonfarm wage and salary employment tables for counties, will inaugurate NAICS in 2003.

During the first year of the conversion only 2002 and 2003 employment estimates will be produced for counties while state and metropolitan area estimates will be revised back to 1990.

Employment estimates for counties will not be produced for each of the new 19 sectors in every county. In many counties the sectors will be too small to produce reliable estimates. There will be combinations, but hopefully, those combinations will provide more insight than the old SIC groups. The graph on this page includes the groups that will be used for monthly employment estimates for counties. The graph is based on March 2002 payroll data and initial benchmark editing. The benchmark process includes adding employment not covered by the Wisconsin Unemployment Insurance law such as jobs with parochial schools, churches, work-study and work experience programs, and railroads.

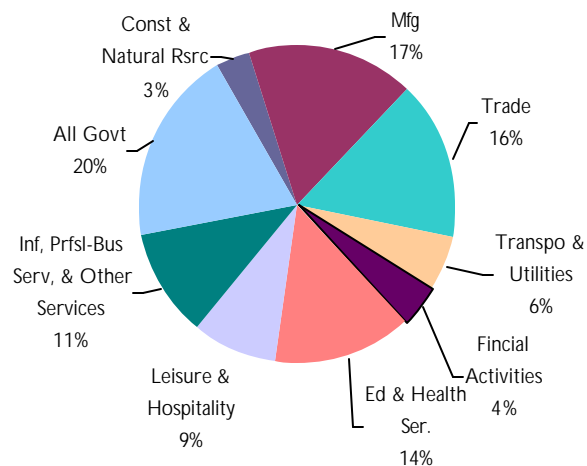
Because of the new arts, entertainment & recreation and accommodation & food services sectors NAICS estimates will provide some insight to employment changes in the tourism industry. Employers from the new sectors are included in the leisure and hospitality group. In Western Wisconsin employers in the group provide roughly nine percent of all jobs (11,900) in 2002.

Another new group, education & health, tracks employment changes primarily in health care and social assistance services since education here includes only private institutions. In March, 2002, employers in this group provided 14 percent of the jobs, roughly 19,900, in the region. This will be an important group to watch since jobs in health care are among the fastest growing in the country and region.

Another new conglomerate, the information, professional and business services and other services group was formed in part to help identify many of the new-economy jobs. This group is larger statewide than it is in the region because more job opportunities for information and business professionals exist in metropolitan areas than in rural areas. Statewide, over 15 percent of the jobs are in this group, as apposed to 11 percent of all work in Western Wisconsin.

The financial activities group, with only four percent of the region's jobs, also has a lower share than in the state. Employers in financial activities, especially those with corporate offices, are a good source of professional jobs. In the West Central region, however, many of the jobs

**Western Wisconsin NAICS Industry Distribution: 2002**



Source: DWD, Labor Market Information Section, ES-202, Jan. 2003

in financial activities are clerical.

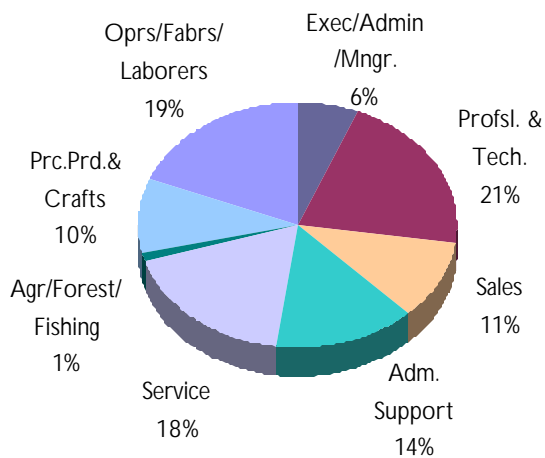
The region has a higher share of jobs in government (19%) compared with the state (16%). One of the reasons is that government in the region includes a higher concentration of universities. With universities comes a greater demand for teachers.

One can begin to see that the types of industry in an area determines the kinds of occupations needed to fill those jobs. The occupational mix of jobs with employers will not change even though those employers may now be grouped in new industry sectors. For instance, nurses will still work for health care providers and as those employers grow so will the demand for nurses.

The occupation projections for Western Wisconsin were completed in 2001 and are still a valid indicator of trends in the demand for workers in the area (next page). An understanding of the occupational needs of an area begins with a good understanding of the industries and the occupations that are employed by those industries. Some of those industries, like schools and restaurants, are common in nearly every community in the region and many of the occupations in these industries, teachers and waiters, are generally known to everyone.

The US Bureau of Labor Statistics coordinates an annual survey of businesses to collect information on occupations in each state. The graph found at the top of the next page is a summary of the occupation distribution in Western Wisconsin based on the staffing patterns in local industries.

## Western Wisconsin Occupations in 2008



Source: WI DWD, Bureau of Workforce Information, 2001

The table below is a list of the 25 occupations projected to have the most annual openings in the ten-year projection period. The number of annual openings includes those created as new jobs by employers and those created when workers leave the occupation to start new careers or leave the workforce.

In Western Wisconsin the professional and technical occupation group, with 21 percent of area jobs, is the largest. It is slightly larger in this region than in the state where only 20 percent of the jobs are in the group. One of the reasons the group is larger in the region is the concentration of post-secondary education facilities. In addition to the jobs with schools, hospitals and government agencies provide many professional and technical job opportunities. But, unlike other metropolitan areas with larger and more numerous corporate offices,

## Occupations with the Largest Number of Annual Openings Due to Growth and Separations

WDA9-Western: Buffalo, Crawford, Jackson, Juneau, La Crosse, Monroe, Trempealeau, Vernon

| Occupational Title                   | 1998-2008<br>Growth | Percent<br>Change | Est. Average Annual<br>Growth | Separations(1) | Total(2) | Education and Training<br>Typically Required(3) |
|--------------------------------------|---------------------|-------------------|-------------------------------|----------------|----------|---|
| Cashiers                             | 530                 | 15.1%             | 53                            | 152            | 205      | Short-term on-the-job-training                  |
| Retail Salespersons                  | 480                 | 13.0%             | 48                            | 124            | 172      | Short-term on-the-job-training                  |
| Waiters & Waitresses                 | 280                 | 10.9%             | 28                            | 141            | 169      | Short-term on-the-job-training                  |
| Registered Nurses                    | 850                 | 31.7%             | 85                            | 44             | 129      | Associate degree                                |
| Office Clerks, General               | 450                 | 16.7%             | 45                            | 74             | 119      | Short-term on-the-job-training                  |
| Nursing Aides/Orderlies/Attendants   | 830                 | 38.1%             | 83                            | 30             | 113      | Short-term on-the-job-training                  |
| Truck Drivers, Heavy                 | 650                 | 20.2%             | 65                            | 46             | 111      | Postsecondary vocational training               |
| Food Prep/Service Workers, Fast Food | 150                 | 8.8%              | 15                            | 94             | 109      | Short-term on-the-job-training                  |
| General Mgrs & Top Execs             | 510                 | 15.9%             | 51                            | 56             | 107      | Work exp. plus bachelor's or higher dgr.        |
| Food Preparation Workers             | 150                 | 10.5%             | 15                            | 79             | 94       | Short-term on-the-job-training                  |
| Teachers, Secondary School           | 280                 | 20.1%             | 28                            | 44             | 72       | Bachelor's degree                               |
| Assemblers & Fabricators, NEC        | 250                 | 9.8%              | 25                            | 44             | 69       | Short-term on-the-job-training                  |
| Janitors & Cleaners                  | 140                 | 7.3%              | 14                            | 42             | 56       | Short-term on-the-job-training                  |
| Helpers/Laborers/Movers, NEC         | 110                 | 9.4%              | 11                            | 36             | 47       | Short-term on-the-job-training                  |
| Hand Packers & Packagers             | 160                 | 12.5%             | 16                            | 31             | 47       | Short-term on-the-job-training                  |
| Teachers, Elementary School          | 140                 | 10.1%             | 14                            | 32             | 46       | Bachelor's degree                               |
| Bartenders                           | -10                 | -0.9%             | -1                            | 46             | 45       | Short-term on-the-job-training                  |
| Carpenters                           | 220                 | 27.2%             | 22                            | 22             | 44       | Long-term on-the-job training                   |
| Reception/Information Clks           | 220                 | 19.1%             | 22                            | 22             | 44       | Short-term on-the-job-training                  |
| Admin Support Supervisors            | 170                 | 14.8%             | 17                            | 26             | 43       | Work exp. in related occupation                 |
| Sales Reps, Mfg and Wholesale        | 140                 | 12.0%             | 14                            | 28             | 42       | Moderate-term on-the-job training               |
| Laborers, Landscaping/Groundskeep    | 220                 | 32.4%             | 22                            | 20             | 42       | Short-term on-the-job-training                  |
| Marketing/Sales Supervisors          | 230                 | 15.5%             | 23                            | 19             | 42       | Work exp. in related occupation                 |
| Maids & Housekeeping Cleaners        | 240                 | 24.5%             | 24                            | 18             | 42       | Short-term on-the-job-training                  |
| Truck Drivers, Light                 | 250                 | 21.0%             | 25                            | 17             | 42       | Short-term on-the-job-training                  |

(1) Separations are an estimate of how many job openings there will be in each occupation due to people permanently leaving an occupation.

Openings that occur due to people changing employers but remaining in the same occupation are not included.

(2) Total openings are an estimate of how many new entrants are needed in the occupation.

(3) Typically required means this is the most common way people are expected to enter the occupation.

Other notes: Self-employed, unpaid family workers and work-study students are not included. Railroad workers are not included, except in WDAs 7 and 8.

Source: WI DWD, Bureau of Workforce Information, 2001

professional occupations in the region include fewer administrative and business specialty jobs. Most of the occupations in this group require training beyond high school.

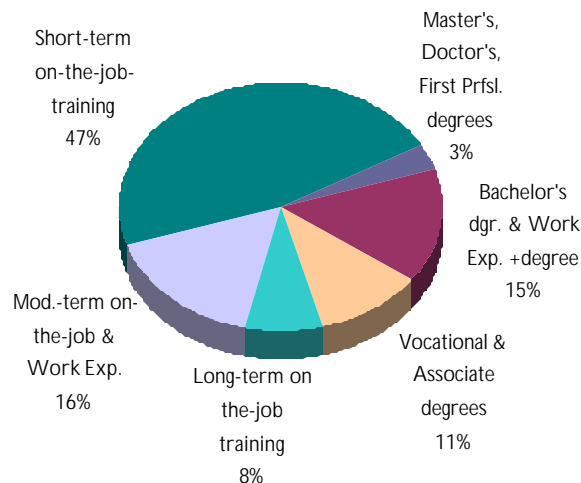
In contrast, the operators, fabricators, and laborers group includes many jobs where a short training program is adequate for most workers. This occupational group is the second largest in the region and also has a greater share of workers than in the state. It includes assemblers, truck drivers, machine operators and packagers. Nearly all of the jobs in this group are with manufacturers, but some, like bus and truck drivers and forklift operators are found in other industries. Only six occupations from this grouping appear on the top 25 list, however, because manufacturing is not increasing as fast as other industries.

Nearly as large is the service occupations group. This group includes the waiters, cooks, food prep. workers and bartenders who are employed in the region's abundant restaurants and bars. Seven occupations from the service group are included on the list of the occupations with the most projected openings. For five of the eight occupations the number of openings from separations greatly exceeds the number generated by growth. While employers have come to expect some post-secondary training for these jobs, most workers are able to function in the jobs with only a short training period.

About 47 percent of the job openings projected over the ten-year period require only short-term on the job training (less than 1 month); and, 16 percent require only a moderate training period (1-12 months). However, in recent years many employers have turned to technical schools to provide both short- and moderate-term training.

According to Census 2000, roughly 37 percent of the population in Western Wisconsin has only a high school diploma and 16 percent have less than that. That means that 47 percent of the population has some education beyond high school and of those, 18 percent have a 4-year college degree or better. That's a tight fit when you consider that 21 percent of the jobs in the region are in professional and technical occupations. It is difficult to compare the existing educational attainment of the population with current, or future, demand because employer requirements are changing for new entrants and the current data reflects a workforce that includes both younger and older participants.

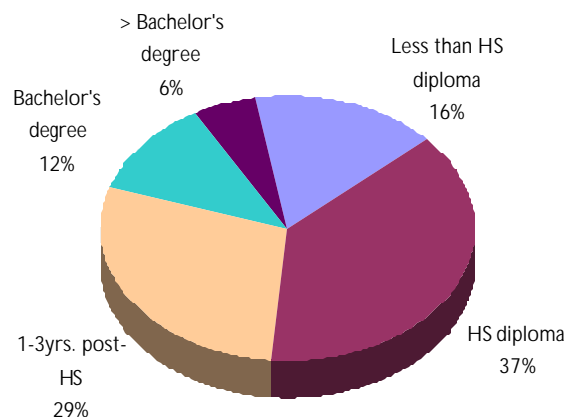
### Annual Openings in Western Wisconsin



Source: WI DWD, Local Workforce Planning Section, 2001

Educational attainment varies throughout the Western region. Ninety percent of La Crosse County residents 25 years old and older had at least a high school diploma and just over 25 percent of La Crosse County residents had a bachelor's degree or higher. Contrast that to Juneau County, where 78 percent of residents had at least a high school diploma and 10 percent of county residents had a bachelor's degree or higher. In 2000, Juneau County has the lowest percentage of persons with a bachelor's degree or higher among Wisconsin's 72 counties. Statewide 85 percent of residents 25 and over have at least a high school diploma and 22 percent have at least a bachelor's degree.

### Education Attainment in 2000 in Western Wisconsin



Source: US Dept. of Commerce, Census Bureau, *Census 2000*



## - The Supply of Workers-

### Western Wisconsin Population

During the first two years of the new millennium, Western Wisconsin's population increased 1.6 percent, just a bit shy of keeping pace with state and national growth rates.

La Crosse County accounts for 38 percent of the eight county population total and 41 percent of nonfarm employment in the region. Seven of the ten largest municipalities are located in La Crosse County, two in Monroe County, and one in Crawford County. Together, these ten municipalities account for 41 percent of the eight county area's population.

Increase in La Crosse County's population between the 1990 and 2000 Censuses was strong. The 1990 Census reported Western Wisconsin's total population at 253,179. The population total reported for Western Wisconsin from Census 2000 was 277,548, an increase of 24,369 and a 9.6 percent growth rate. During the 90s decade the national population grew by 13.1 percent and the state population grew by 9.6 percent.

The greatest percentage increase in population between the two Censuses came from Jackson County, reporting a 15.2 percent increase in population. A noticeable portion of the population increase in Jackson County was

due to the opening of a state prison and the placing of prisoners at the facility. In the 1990 Census, Jackson County's institutional population was 282; the 2000 Census reported Jackson County institutional population had swelled to 1,138. If one were to factor out institutional population from county population totals, population increased from 16,306 in 1990 to 17,962 in 2000, adding 1,018 people to the general population. That is a 10.2 percent increase in Jackson County's non-institutional population during the 10 year time period. Even after factoring out institutional population counts, Jackson County's population totals still grew faster than the statewide average.

The greatest numerical increase in population during the time between the two Censuses occurred in La Crosse County, where population increased by 9,216, a 9.4 percent rate.

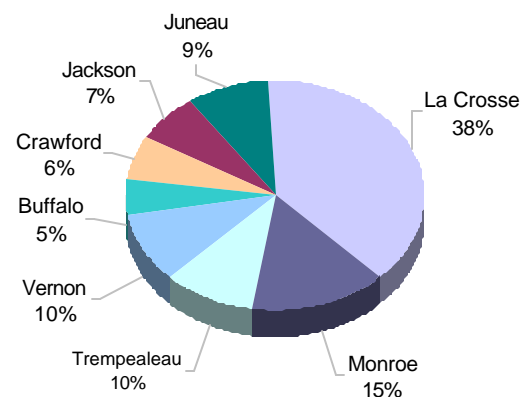
When looking at population changes at the regional level, there are a number of factors that contribute to growth or decline in the region's population. By examining the components of change in the region's population, which include births, deaths, and migration, County a clearer picture of area population trends can be drawn.

#### Total Population

|               | 2000 Census | January 2, 2002 Estimate | Percent change |
|---------------|-------------|--------------------------|----------------|
| United States | 281,421,906 | 286,200,000              | 1.7%           |
| Wisconsin     | 5,363,675   | 5,453,896                | 1.7%           |
| Western WDA   | 277,548     | 282,069                  | 1.6%           |
| Buffalo       | 13,804      | 13,955                   | 1.1%           |
| Crawford      | 17,243      | 17,406                   | 0.9%           |
| Jackson       | 19,100      | 19,381                   | 1.5%           |
| Juneau        | 24,316      | 25,052                   | 3.0%           |
| La Crosse     | 107,120     | 108,433                  | 1.2%           |
| Monroe        | 40,899      | 41,865                   | 2.4%           |
| Trempealeau   | 27,010      | 27,393                   | 1.4%           |
| Vernon        | 28,056      | 28,584                   | 1.9%           |

Source: WI Dept. of Admin., Demographic Services, 2002

#### 2002 Population Distribution in Western Wisconsin



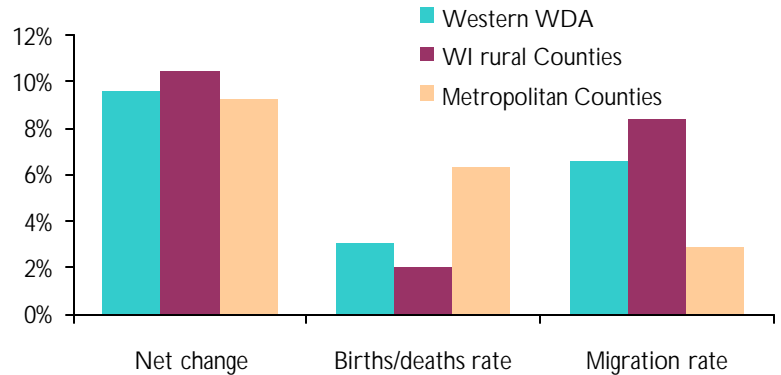
An area's growth is affected by economic opportunities that attracts new residents to migrate to the area and by the existing population's age and culture which affects the birth rate of the area. The graph at the right shows the impact of net migration compared to natural increase (births minus death) during the last decade.

Sixty-eight percent of the region's population increase between the two Censuses came from positive in-migration into the Western area. However, it should be noted that in the urban metropolitan county of La Crosse accounted for 38 percent of the total increase in Western region population during the decade and the split between in-migration and natural increase was roughly equal in La Crosse County.

In the rural counties of the Western region, only 21.4 percent of the population increase came from natural increase while the remainder came from migration. This is due in part to the older population in the rural counties, many of who are past child rearing age.

In terms of age cohorts the fastest growing segment of the region's population during the 90s decade was the 40 to 49 and the 50 to 59 age cohorts. This trend will continue as the baby boom generation makes its way through the population. These large groups will be looking at retirement during the next ten to twenty years, and will leave a void when they do retire. The generations to follow the boomers in Western Wisconsin will

**Components of Population Change in Western WDA Compared with other rural & metropolitan counties**



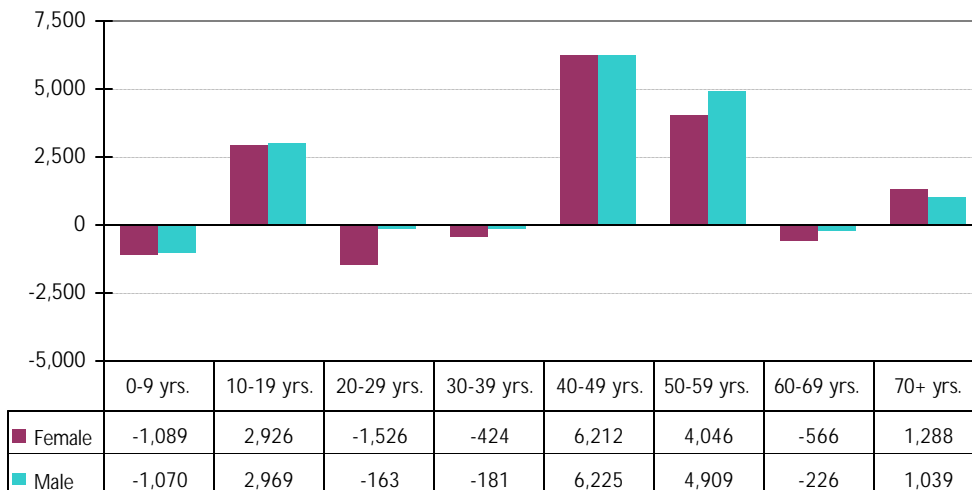
|                       | Total increase<br>1990-2000 | Increase from<br>Births - Deaths | Increase from<br>Migration |
|-----------------------|-----------------------------|----------------------------------|----------------------------|
| Western WDA           | 24,369                      | 7,686                            | 16,683                     |
| WI rural Counties     | 162,770                     | 31,627                           | 131,140                    |
| Metropolitan Counties | 309,136                     | 212,060                          | 97,079                     |

Source: WI Dept. of Administration, Demographic Services, 2001

not be large enough to cover all the workers leaving the Western workforce due to retirement. In fact, as detailed by the chart in the lower left hand corner, Western Wisconsin's 20-29 and 30-39 year old age cohorts declined during the 90s decade. In addition, most Western Wisconsin counties are having a difficult time keeping their teenagers from migrating out of the area after graduation from high school.

The same demographic issue, the largest workforce in American history moving quickly toward retirement is a problem throughout much of America. It is most notable in the upper Midwest states, including Wisconsin.

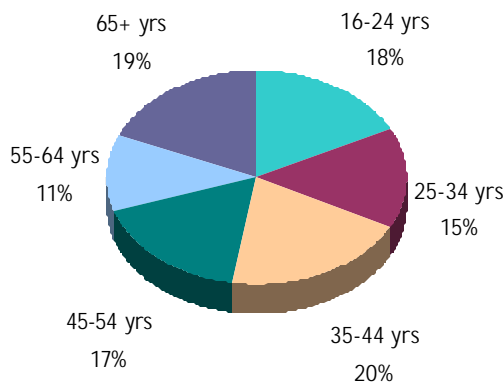
**Population Change in 10-year Age Groups by Sex  
1990 - 2000 in Western Wisconsin**



Source: WI Dept. of Admin., Demographic Services, 2002



### Western County Labor Force Age Groups



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

Currently, 19 percent of the regional population is over the age of 65, slightly higher than in the nation (15 percent) and state (17 percent). This share will increase in the next two decades. The implications of this increase are staggering, especially as they effect the labor force.

By definition of the US Bureau of Labor Statistics, the labor force age population includes all residents 16 years old and older that are potentially able to work (it does not include institutional residents or military personnel). The chart above illustrates the distribution of the labor force age population in Western Wisconsin by age groups. Even though the labor force age population numbers 212,460 residents, roughly 19 percent of that population is 65 years old and over. The large share of elderly effects the supply of labor in two ways.

The first is more obvious because we associate retirement with aging. As retirements increase employers need to find replacements from the younger workforce or decide not to fill the vacancy. So, even though there are about 40,400 residents over 65 years old in the labor force age population, few of them participate in the labor force.

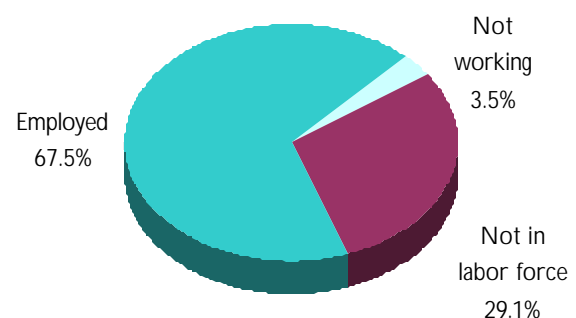
The second effect of an older population is that they increase the need for workers who will care for them and help them acquire the 'good-life'. They want improved healthcare, more leisure activities, and fewer household chores. Many of these jobs are filled by younger workers and in the years to come, the number of young residents entering the labor force will be fewer than the number of retirees.

In the last two decades employment growth has relied on an abundant workforce to fill the jobs created by employer expansion. In the next two decades there will be no labor force expansion. There will be fewer young people to work in 'entry-level' jobs. If employer expansion is to occur it will have to be through improved productivity, creative scheduling, and/or accommodations to include an older workforce.

The "participation rate" is the percentage of the total resident population, aged 16 and over, who are working or seeking employment. Many social and economic factors influence the participation rate in a given area. The number one reason for the dramatic shift in the rate during the last 20 years has been caused by the increasing number of females entering the workforce.

In 2001, the participation rate in Western Wisconsin was 70.9 percent. La Crosse County has a substantially higher rate of participation in the workforce than does the nation (67.2). Western's participation rate is slightly below the state average participation rate. (73.5). Western Wisconsin had the 6th highest participation rate out of Wisconsin's 11 Workforce Development Areas in 2001.

### Western 2001 Labor Force Participation



Source: WI DWD, Local Workforce Planning Section, 2002